

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

BB Liquidating, Inc.  
f/k/a Blockbuster, Inc.

Chapter 7  
Case No. 10-14997 (CGM)

Debtor.

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Lyme Regis Partners, LLC, a New York  
Limited Liability Company,  
Plaintiff,

Adv. Pro. No. 10-05524

v.

Carl Icahn, Icahn Partners LP, Icahn  
Partners Master Fund LP, Icahn Partners  
Master Fund II LP, Icahn Partners Master  
Fund III LP, Icahn Capital LP, and Icahn  
Associates Corp.

Defendants.

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**ORDER DENYING MOTION FOR SANCTIONS AND CLOSING ADVERSARY  
PROCEEDING**

WHEREAS, on April 11, 2011, Defendants Carl Icahn, Icahn Partners LP, Icahn Partners Master Fund LP, Icahn Partners Master Fund II LP, Icahn Partners Master Fund III LP, Icahn Capital LP, and Icahn Associates Corp. (collectively, the “Icahn Entities”) moved for entry of an order awarding sanctions pursuant to 28 U.S.C. § 1927 and Federal Rule of Bankruptcy Procedure 9011 against Lyme Regis Partners, LLC (“Lyme Regis”), the McMillan Law Firm, APC, and Scott McMillan (the “Motion”); and

WHEREAS, on May 16, 2011, Lyme Regis, the McMillan Law Firm, APC, and Scott McMillan submitted opposition to the Motion (the “Objection”); and

WHEREAS, on May 25, 2011, the Icahn Entities replied to the Objection (the “Reply”);  
and

WHEREAS, on June 22, 2011, the Court, the Hon. Burton R. Lifland presiding, held a  
hearing on the Motion (the “Hearing”); and

WHEREAS, at the Hearing, Judge Lifland denied the Motion and expressly ordered the  
record, *see* Hr’g Tr. 20:18-23, (No. 10-05524), ECF No. 32;

NOW THEREFORE IT IS ORDERED that pursuant to the record of the hearing, the  
Motion is DENIED; and

IT IS FURTHER ORDERED that the Clerk of the Court is directed to close the above-  
captioned adversary proceeding.

Dated: Poughkeepsie, New York  
February 24, 2014

/s/ Cecelia G. Morris  
CECELIA G. MORRIS  
CHIEF UNITED STATES BANKRUPTCY JUDGE